

Paid Sick Leave and Other Impacts of Initiative 1433

Initiative 1433 contains three primary changes to state law: **Requiring employers to provide paid sick leave** to most employees beginning January 1, 2018, **increasing the minimum wage** over the next several years, and **ensuring tips and service charges** are given to the appropriate staff.

Paid sick leave requirements

Starting January 1, 2018, employers in Washington will be required to provide their employees with paid sick leave.

Accrual

 Most employees shall accrue paid sick leave at a minimum rate of one hour of paid sick leave for every 40 hours worked as an employee. Stay informed! Sign up for updates on rule development, training, tools for employers and more: www.lni.wa.gov/Main/Listservs/WRWageHour.asp

- Paid sick leave shall be paid to employees at their normal hourly compensation.
- Employees are entitled to use accrued paid sick leave beginning on the 90th calendar day after the start of their employment.
- Unused paid sick leave of 40 hours or less must be carried over to the following year.
- Employers are allowed to provide employees with more generous carry over and accrual policies.

Usage

Employees may use paid sick leave:

- To care for themselves or their family members.
- When the employees' workplace or their child's school or place of care has been closed by order of a public official for any health-related reason.
- For absences that qualify for leave under the state's Domestic Violence Leave Act.

Employers may allow employees to use paid sick leave for additional purposes.

Rulemaking for paid sick leave

In 2017, the Department of Labor & Industries (L&I) will develop two sets of rules to explain and enforce the new requirements. These rules will include procedures for employers to notify their employee(s), recordkeeping and

A pre-hearing overview of the rules begins at 9 a.m. for each public hearing below. reporting requirements regarding paid sick leave, and protecting employees from retaliation for the lawful use of paid sick leave. This process includes opportunities for public comment, including these scheduled public hearings on the first set of rules:

August 8

10 a.m.

L&I – Tumwater Auditorium 7273 Linderson Way SW Tumwater, WA 98501

August 17

10 a.m.

Columbia Basin Community College L102, Building L 2600 North 20th Ave Pasco, WA 99301

August 16

10 a.m.

Spokane Center Place Auditorium 2426 N. Discovery Pl. Spokane Valley, WA 99216

August 29

10 a.m.

Xfinity Center
Edward D Hansen Conference Center
Ballroom 3 South
2000 Hewitt Avenue, Suite 200
Everett, WA 98201

Minimum Wage

- The minimum wage is \$11 per hour in 2017.
- The minimum wage applies to all jobs, including agriculture.
- Employers must pay employees age 16 and older at least \$11 per hour in 2017.

Employers are allowed to pay 85% of the minimum wage to employees under age 16. For 2017, this rate is \$9.35 per hour.

Please note: Seattle, Tacoma, and the City of SeaTac currently have higher minimum wage rates. The local rate applies if it is higher than the state minimum wage rate.

The initiative does not change overtime pay requirements.

- The initiative sets future minimum wage rates.
- The minimum wage will increase annually over the next four years: \$11 in 2017, \$11.50 in 2018, \$12 in 2019, and \$13.50 in 2020.
- Starting January 1, 2021, minimum wage increases will be calculated by L&I using a formula tied to the
 rate of inflation (based on the Consumer Price Index for Urban Wage Earners and Clerical Workers CPIW [data.bls.gov]).

Service Charges and Tips

The initiative states that an employer must pay to its employees:

- All tips and gratuities; and
- All service charges as defined under RCW 49.46.160, except those that are itemized as not being payable to the employee(s) servicing the customer.

Tips and service charges paid to an employee may not offset the state minimum wage requirement.

Questions?

For more information, go to www.lni.wa.gov/sickleave, or contact the Employment Standards Program at L&I by phone (1-866-219-7321) or email (esgeneral@Lni.wa.gov).